

STATE OF IDAHO TAX UPDATE

VOLUME FOURTEEN – NUMBER ONE

MARCH 2002



This issue of TAX UPDATE deals with sales tax returns and other current topics. If you have questions or need more information about this material, contact any Idaho State Tax Commission office listed on the back of this newsletter.

Taking the Mystery Out of Sales Tax Returns

When filling out an Idaho Sales Tax Return, do you know what to enter on line 1? Here's an explanation.

Retailers and wholesalers are issued permit numbers that end with the letter "S" (example: 000456321-S). These businesses enter all sales made during the period on line 1 of their sales tax return, including:

- All retail and wholesale sales of goods and services originating in Idaho with an in-state or out-of-state destination, and
- All retail and wholesale sales of goods and services originating *outside* Idaho with an Idaho destination.

Sales during the period include all cash and *charge* sales. Charge sales must be reported and sales tax paid in the period that the sale is made, even if the buyer has not yet paid the seller.

Both taxable and exempt sales are included on line 1. For example, the sale of a tractor to a farmer is included as part of the total sales figure on line 1. It is backed out as a nontaxable sale on line 2, if the farmer has given the seller a completed exemption form.

Both sales of goods and nontaxable services are included on line 1. For example, the sale of a repair part

and the labor to install it on a customer's car both go on line 1. The nontaxable labor is backed out on line 2.

Use tax: Businesses with *Use Tax Accounts* have a permit number ending with the letter "U" (example: 000456321-U). Contractors, accountants, doctors and other service businesses typically have use tax accounts. These businesses do not enter amounts on lines 1 through 3 of the return. They begin with line 4, Items Subject to Use Tax. This line should show the amount the business paid for goods purchased without sales tax.

850 IDAHO SALES AND USE TAX RETURN

PERMIT NO.

FROM

TO

TAX DUE ON OR BEFORE

☐ Mailing address change

☐ Cancel permit

RO00150
6-13-96

This space
for State
use only

E.C.

R.C.

1. Total sales
2. Less nontaxable sales
3. Net taxable sales (line 1 minus line 2)
4. Items subject to use tax
5. Total taxable (add lines 3 and 4)
6. Tax (5% of line 5)
7. Adjustments (attach explanation)
8. Tax due (total of lines 6 and 7)
9. Penalty (Add after due date)
10. Interest (Add after due date)
11. Total due

I do hereby swear or affirm that this information
is true and correct to the best of my knowledge.

Authorized Signature

Date

Mail to:
State Tax Commission
P.O. Box 76
Boise, Idaho 83707

Retailers May Fax Resale Forms

More and more business transactions involve electronic transmissions, including faxed resale and exemption claims.

Retailers may rely on properly completed faxed Sales Tax Resale or Exemption Certificates (Forms ST-101) to document their exempt sales.



Protecting Taxpayer Information

The Tax Commission takes very seriously its obligation to protect the confidentiality of tax returns. So, when we are asked to provide a copy of a tax return (or other taxpayer information), we need to make sure that the person requesting the return is entitled to receive it.

We can provide copies of tax returns to taxpayers or to their authorized representatives. If a requestor is not the taxpayer or an officer or authorized employee of a business, we need either a signed current Power of Attorney or a

specific written authorization from the taxpayer to disclose the information to the person requesting it. An Idaho Power of Attorney (Form 111) is available on our Web site (www2.state.id.us/tax) under Miscellaneous Forms.



Are You Filing Your Business Tax Returns Electronically?

For information, call us or visit our Web site at www2.state.id.us/tax/filing.htm

Where To Get Information

If you would like to know more about Idaho state taxes, call the Idaho State Tax Commission toll free at 1-800-972-7660 or contact any of the offices listed below:

Boise

800 Park Blvd., Plaza IV
(208) 334-7660

Pocatello

611 Wilson St., Suite 5
(208) 236-6244

Twin Falls

1038 Blue Lakes Blvd. N, Suite C
(208) 736-3040

Coeur d'Alene

1910 Northwest Blvd.,
Suite 100
(208) 769-1500

Lewiston

1118 F Street
(208) 799-3491

Idaho Falls

150 Shoup Ave., Suite 16
(208) 525-7116



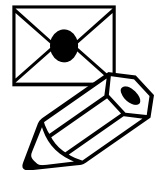
HEARING IMPAIRED CALLERS:

Use the Idaho Relay Service (1-800-377-3529) to reach any Tax Commission office listed above.

Costs associated with this publication are available from the Idaho State Tax Commission in accordance with Section 60-202, Idaho Code.

TAX UPDATE is published quarterly and mailed to all sales and use tax account holders with their tax return forms. Unless otherwise noted, information in TAX UPDATE applies only to Idaho taxes. This newsletter is designed to provide general information only, and is not intended to offer comprehensive explanations of Idaho tax laws and rules. Specific questions should be addressed to the nearest State Tax Commission office. Comments about TAX UPDATE and suggestions for future issues should be sent to:

TAX UPDATE Editor
Public Information Office
State Tax Commission
P.O. Box 36
Boise, ID 83722



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This issue of Tax Update deals with:
SALES TAX RETURNS & CURRENT TOPICS

IDAHO STATE TAX COMMISSION

P.O. Box 36
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